



MANCHESTER
SPECIALTY PROGRAMS
INSURANCE



KEY FACTORS IN UNDERWRITING HOMECARE AND HOSPICE RISKS

As with any type of insurance program, underwriting stability and profitability is key to its success and the ability to provide retail agents with a consistent source of coverage for their insureds. Manchester Specialty Programs has been providing insurance solutions for home care and hospice risks for years. Our success lies in part with our experience, expertise, underwriting acumen, and commitment to the home care, hospice, and medical staffing industries.

Following are some of the key factors our underwriters consider when evaluating a home care or hospice account:

- **Review the basics.** This includes looking at the home care or hospice agency's number of years in business, the states in which it operates, and a description of its operations. For example, is the operation classified as home health care, companion care, VNA, hospice, or perhaps a specialty provider that offers infusion or dialysis, etc.?
- **Ask about accreditation status.** Accreditation can provide a good indicator of the quality of risk as it reflects the operation's dedication to standards of care. Accreditation may be obtained through The Joint Commission, CHAP, ACHC, or a state accreditation body. In particular, Manchester Specialty has a dedicated marketing partnership with The Joint Commission to raise awareness of the connection between accreditation, quality risks, and the underwriting and pricing of professional liability and workers' compensation coverage.
- **Look at the employee turnover rate.** This serves as an effective cross-check to determine whether employee turnover is higher or lower than industry standards. Dig a bit deeper to determine where any issues may exist in terms of wages, employee training, etc. that may impact turnover. (It's important to note that employee turnover has radically shifted with labor shortages and wage issues in the home and health care industries during the COVID-19 pandemic.)
- **Review an operation's licensing and certification status.** Is the facility licensed in all states of operation? Have there been any issues with regard to suspension or revocation of licenses?
- **Determine where services are provided.** In addition to the traditional home-care setting, does the home care agency send employees or independent contractors to nursing homes, assisted living facilities, hospitals, clinics, or even schools or prisons, in some instances, to provide care for their clients?

KEY FACTORS CONTINUED (OVER) ...

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CONTINUED:

Following are some of the key factors our underwriters consider when evaluating a home care or hospice account.

- **Evaluate the types of services provided.** These services may include traditional home health nursing, personal/companion care, physical or speech therapy, wound care, etc., and/or extend into the higher-risk categories of in-home dialysis, pediatric care, infusion, trach or ventilator care, live-in care, palliative care, and so on. Every day the type of services provided in the home is expanding.
- **Look at whether a solid risk management program and formal incident-reporting procedures are in place.** Is there someone on staff (administration/clerical) directly responsible for staff oversight, patient care, and procedures? For example, are there formal training and reporting processes with regard to patient abuse in place?
- **Review hiring and screening protocols.** Are criminal background checks conducted at the county/state/federal level on all prospective employees, ICs, and volunteers? Are employment references checked along with the status of licenses/credentials? Is there a formal drug and alcohol screening program? Are written job descriptions available to properly assess whether a candidate is a right fit for an organization?
- **Check if employees are classified properly for Workers' Compensation insurance.** This includes a detailed review of the type of employees and professional classifications and a cross-reference of part-time and full-time hours as it relates to payroll.
- **Assess vehicle usage for Non-Owned & Hired Auto (NOHA) insurance.** What is the total number of drivers who use their personal autos for business? Does the home health care or hospice agency check MVRs, request proof of insurance, and implement driver and vehicle standards?
- **Review claims history and prior losses.** This provides an accurate picture of the organization's risk profile and its commitment to safety and risk management. Is there frequency and/or severity issues in the past 3-5 years or any trends?

Discuss with the home care or hospice provider its plans for growth and the availability of emerging services in the next 12 to 24 months to understand the operations better and ensure its insurance program is aligned with its plans.

About Manchester Specialty Programs

Manchester Specialty Programs specializes in providing business insurance solutions to meet the needs of Home Care, Allied Health, Medical Staffing and Human/Social Services organizations. For more information about how our products and services can help protect your firm, you or your local insurance agent can contact us toll-free at 1-855-972-9399.

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